

**INDIANA BOND BANK
REQUEST FOR INFORMATION
TO SERVE AS BOND COUNSEL
TO QUALIFIED ENTITIES ("QE")
FOR THE 2016 ADVANCE FUNDING PROGRAM**

PURPOSE

The purpose of this Request for Information ("RFI") is to invite qualified bond counsel to submit information which outlines their ability to serve in such capacity as QE bond counsel for the Advance Funding Program (the "Program") of the Indiana Bond Bank ("Bond Bank"). Counsel will be requested to provide the customary services of QE bond counsel with respect to the Program including advice and opinions as to structuring tax and securities laws issues.

This is not an Invitation to Bid or a Request for Proposal under the Indiana Procurement Code, I.C. 4-13.4-5. The Bond Bank creates no obligation, expressed or implied, by issuing this RFI or by receipt of any proposals submitted pursuant hereto. The award of any contract as a result of this RFI shall be at the sole discretion of the Bond Bank. Neither this RFI nor any proposal submitted in response hereto is to be construed as a legal offer.

This RFI is for QE bond counsel to the Program only and is not related to any other financing programs which exist at the Bond Bank.

BACKGROUND OF PROGRAM

The Indiana Bond Bank was created by the General Assembly in 1984. The purpose of the Bond Bank is to buy and sell securities and to make loans to political subdivisions of the State of Indiana. Since its creation, the Bond Bank has issued nearly \$21.2 billion in debt with approximately \$1.25 billion currently outstanding.

The Bond Bank has established and is continuing the Program to purchase tax anticipation obligations (the "Warrants") issued by certain Indiana school corporations, counties, cities, towns, library corporations, townships and other qualified entities which are authorized under Indiana law to issue warrants (the "Qualified Entities"). The Program provides a mechanism for financing all or a portion of anticipated cash flow shortfalls in one or more funds of the Qualified Entities during 2016 for which ad valorem property taxes in the course of collection have been budgeted, levied and appropriated for the payment of expenses of such funds.

The proceeds from the sale of the 2016 Bond Bank Notes (the “Notes” or the “Program Notes”) will be used (i) to purchase the Warrants of Qualified Entities, (ii) to pay all or a portion of the fees to establish and provide a stand-by credit facility as security for the payment of a portion of the Notes, and (iii) to pay all or a portion of the costs of issuance of the notes including Underwriters' discount.

The Bond Bank is currently in the process of evaluating the Program. All aspects of these transactions are being evaluated, with a special emphasis on reducing the cost to the Qualified Entities and increasing the ease of participation.

For the Program financings issued in the 2015 calendar year (the “2015 Program”), 38 Qualified Entities participated and the size of the issue was nearly \$76.5 million. The 2015 Midyear program had 4 Qualified Entities totaling over \$2.5 million.

The official statement for the 2015 Advance Funding Program can be found on our website at www.in.gov/bond under official statement archive. A draft copy of the qualified entity timeline for the 2016 program is attached.

SCOPE OF SERVICES

1. General Requirements

QE bond counsel will advise the Bond Bank regarding the structuring and issuance of QE Warrants during the term of the engagement. QE Bond counsel will provide the necessary legal assistance related to the various financings and will participate in negotiating the terms and drafting of various QE documents. QE Bond counsel will render certain opinions regarding the issuance of QE securities and will verify compliance with applicable federal and state laws.

QE Bond counsel will be expected to provide services as needed throughout the term of the engagement. The scope of those services will include, but not necessarily be limited to, the following:

- a. Advise and assist the Bond Bank, the underwriters, its financial advisor, its general counsel and its bond counsel in planning the financing and structuring the note issue;
- b. Prepare the documents authorizing and securing the QE Warrants, including the warrant purchase agreement, letter of representation and warrant certificates, and any related QE resolutions and certifications;
- c. Draft or review certain specified sections of the preliminary and final official statements;

- d. Render legal opinions concerning the authority and validity of the QE Warrants and the tax-exempt status of such warrants and other related matters;
- e. Assist in the presentation, if any, to rating organizations;
- f. Coordinate the scheduling and supervise the closing of the QE financings.
- g. Provide the Bond Bank and its financial advisor a weekly update of legal documents provided to the QEs and approvals by the QEs.

It is our expectation to work toward the continued standardization of all documents.

2. Term of Engagement

The term of this engagement will be for Notes issued under the 2016 Advance Funding Program (which includes the Bond Bank's Midyear Funding Program), subject to termination in the sole discretion of the Bond Bank.

3. Qualifications

Each proposer must be a nationally recognized bond counsel. To be nationally recognized, the firm must be listed in the Spring 2015 Edition of The Bond Buyer's Municipal Marketplace (red book).

SPECIFIC PROPOSAL REQUIREMENTS

Proposals should contain direct responses to the following questions or requests for information and be organized so that the specific questions being answered are readily identifiable. Responses to each question or request for information should each begin on a new page with the questions repeated at the top of the page. Proposing individuals or firms are required to respond to all of the following questions and requests for information.

1. Summary (limit to two pages)

Each proposal should include a summary which highlights the reasons why your firm should be selected for QE bond counsel. The summary must also contain a statement that the individual signing the proposal has the authority to commit the firm to the terms proposed.

2. Basic Information Requirements (limit to one page)

- a. Name of the firm
- b. Name and title of individual preparing and responsible for the proposal

- c. Mailing address
- d. Telephone and email

3. Basic Information re: the Proposer (limit to two pages)

- a. Name(s) and brief resume(s) of the lawyer(s) who will have daily responsibility for the engagement. Please identify other transactions in which they have had an active role which might be relevant to the Program.
- b. Name and brief resume of the partner who will have oversight responsibility for the engagement.
- c. Name and brief resumes of any additional staff members who will provide support to the individual(s) in item 3(a).
- d. A description of the general capabilities of your firm including information relating to total size and staffing, research capability, professional staff and clerical support.

4. References

References including names, addresses and current telephone numbers of specific individuals should be provided for three clients for whom your firm has served as bond counsel. Please include ONLY three (3) references.

5. Fee Proposal

Assuming a structure which is substantially similar to the 2015 Advance Funding Program with an approximate size of nearly \$76.5 million and the Midyear Program with over \$2.5 million:

- a. Provide a fee schedule on a per hour basis with a legal service fee cap for the entire engagement. Such schedule should approximate the hours necessary and the rates for the types of personnel which will be assigned to the engagement;
- b. Provide a fixed fee per QE or per QE Warrant issued for the Advance Funding and Midyear Program;

If you provide ranges, the high amount of any range will be recorded as your response.

- c. Out-of-Pocket Expenses: Specify the types of expenses for which your firm would seek reimbursement and place a cap on those expenses.

QE Bond counsel will be paid out of proceeds of the Program and will not be compensated unless a Program transaction is closed.

ADDITIONAL INFORMATION

1. Selection

A. Criteria

Selection of QE bond counsel shall be at the sole discretion of the Indiana Bond Bank and shall be based upon the following criteria:

1. Experience of attorney(s) assigned to the Program;
2. Availability of facilities and resources;
3. Past experience of firm in the role of QE bond counsel;
4. Fee proposal;
5. Any other quality or characteristic deemed in the best interest of the Indiana Bond bank.

B. Selection Date

It is anticipated that a selection will be made during the week of September 8th to September 11th; however, it may be made before, or after, that date.

The Bond Bank reserves the right to reject any and all proposals.

2. Clarification of Information

It is the responsibility of the proposer to inquire about and clarify any aspect of the RFI that is not understood. Questions for clarification must be addressed via email to Ron Mangus, Executive Director at rmangus@inbondbank.com. Written responses will be provided.

The Advance Funding team will be available to further clarify any questions that you may have on August 19th or the afternoon of August 24th. Please contact Suzanne Hardy at 317-233-0093 or shardy@inbondbank.com to schedule a meeting

time. The meeting will be by appointment only in the Bond Bank offices for 30 minutes.

Respondents are advised that materials contained in proposals are subject to the Indiana Public Records Act and may be viewed and/or copied by any member of the public, including news agencies and competitors. In accordance with said Public Records Act IC 5-14, respondents claiming a statutory exception to the Indiana Public Records Act must place the putatively confidential documents in a sealed envelope clearly marked "Confidential" and must indicate on the outside envelope of their proposal that confidential materials are included and specify which statutory exception provision applies.

3. No Contact

The Bond Bank specifically requests that no contact concerning this RFI be made with any member of the Indiana Bond Bank (other than Ron Mangus, rmangus@inbondbank.com), its Financial Advisor (Crowe Horwath LLP), its General Counsel (Barnes and Thornburg LLP) or the State Treasurer's Office during the selection process. Failure to honor this request will be viewed negatively in the selection process.

PROPOSAL PREPARATION AND SUBMISSION REQUIREMENTS

1. RFI Response

In order to be considered for selection, proposers must submit a complete signed response to this RFI. Please submit your responses via email to bondbank@inbondbank.com.

All proposals must sent by email to bondbank@inbondbank.com by no later than 12:00 noon (Indianapolis time) on September 4th.

2. Proposal Preparation

- a. Proposals must be signed by an authorized representative of the firm. Failure to submit all information requested may result in the proposal being considered "non-responsive", and, therefore, rejected.
- b. Proposals should be prepared simply, providing straightforward, concise responses to satisfy RFI requirements. No printed brochures or materials other than written responses to the specific requirements should be provided. The total length of the response must not exceed 5 pages.

3. Discretion in Determining Deviations and Compliance

The Bond Bank reserves the right to determine which of the proposals have met the minimum qualifications expressed in this RFI. The Bond Bank shall have the sole right to determine whether any deviation from the requirements of this RFI is substantial in nature, and the Bond Bank may reject unacceptable proposals. In addition, the Bond Bank may reject in whole or in part any and all proposals, may waive minor irregularities, and may negotiate with responsible offers in any manner deemed necessary to serve the best interests of the Bond Bank.

4. Costs:

The Bond Bank shall not be liable for any expenses incurred in the preparation of the proposals.

5. Notification

The Bond Bank is not required to furnish a statement of the reason(s) why a proposal was not deemed to be the most advantageous nor will it be required to furnish any information regarding this RFI other than the original solicitation document.
